Organizational Conflict of Interest (OCI)

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- **OCI is an increasingly important and complex topic**
- **Fewer suppliers due to mergers, etc.**
- **More contractor support to Program Management Offices (PMOs) and others**
- **Goal is to comply with FAR requirements, reach a rational result and avoid unnecessary limitations on competition**

- **FAR requires KO to prevent conflicting roles that might bias a contractor's judgment and to prevent an unfair competitive advantage.**

- **KO to accomplish these objectives early in the acquisition process. (RFP may require identification of existing OCIs and a mitigation plan).**

- **If potential conflict identified, KO is to take action to avoid, neutralize or mitigate conflicts before contract award.**

- **Typically, KO's action will involve prescribing limitations on contracting.**

- **FAR describes 4 typical situations:**
- **ACCESS TO PROPRIETARY/NON PUBLIC INFO: Gov't provides info that may give recipient a competitive advantage.**
- **Gov't should require recipient to enter into non-disclosure agreement with owner of the proprietary data.**
- **If source selection info, non-disclosure agreement.**

- **EVALUATION SERVICES: Contractor evaluates its own products; tests its own products, etc.**

- **Typically, contractor will not be awarded a contract/task order to evaluate its own products.**

- **SPECIFICATIONS AND SOWs:**
- **Contractor prepares and furnishes specs that relate to non-developmental items for an upcoming competition.**
- **Contractor will not be permitted to furnish the items competed either as a prime or sub for a reasonable period of time, probably life of contract and several years thereafter.**
- **(Non-Compete Agreement could be requested).**

- **SOWs:**
- **Contractor prepares or assists in preparing SOW, Work Statement for a competitive procurement.**
- **Contractor prohibited from supplying the system, major components of system or services unless it is sole source, participated in development and design work, or more than one contractor has been involved in prep of work statement.**
- **(Non-Compete Agreement could be requested).**

- **SYS ENG AND TECH. DIRECTION:**
- **Contractor provides systems engineering and tech direction for a system but does not have overall contractual responsibility for development, integration, etc.**
- **Sys Eng includes determining specs, identifying and resolving interface problems, developing test requirements, supervising design.**
- **Tech. Direction includes developing SOWs, determining parameters, resolving technical controversies, etc.**

- **Contractor shall not be awarded a contract to supply the system or its major components as a prime or sub.**

- **Fact sensitive (what was done), could be time sensitive (when was it done), etc.**

- **Ripe for submission of a mitigation plan.**

- **KO will review plan in consultation with legal staff, PMO, etc.**

- **Mitigation Plans:**
- **Company plan to identify and monitor OCIs**
- **How will data be protected**
- **Segregation of company personnel (separate chains of command?)**
- **Flow down of OCI clauses, procedures to subs**
- **Training of personnel**
- **Etc.**

- **NAVSEA PCO is authority for interpretation.**
- **That being said, re paragraph (e):**
- **If a contractor assists in drafting SOW, specs, etc. that would result in PMO buying system or equipment, contractor can't participate in procurement for that system for period of task order and for 3 years after completion of task order.**

- **More paragraph (e):**
- **The contractor performing under the task order can compete on task orders for the same work as it is presently performing.**
- **In spite of 3 year ban, once a procurement for the system has taken place, contractor can participate in next procurement for the system WITH PCO's permission.**

- **Paragraph (j):**
- **If a contractor is supporting PMO A and the contractor has existing systems (product line), contractor is not prohibited from providing those systems to PMO B as long as work is unrelated to work done for PMO A.**